ESTTA Tracking number:

ESTTA469292 04/26/2012

Filing date:

### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91197078
Party	Plaintiff Paul Jaboulet Aine
Correspondence Address	JULIE B SEYLER ABELMAN FRAYNE SCHWAB 666 THIRD AVENUE NEW YORK, NY 10017 UNITED STATES jbseyler@lawabel.com, Rdahl@lawabel.com
Submission	Other Motions/Papers
Filer's Name	Aimee M. Allen
Filer's e-mail	aallen@lawabel.com, jbseyler@lawabel.com
Signature	/aimeemallen/
Date	04/26/2012
Attachments	PARALLELE 45 Opp. 91197078 Opposer's Reply Brief.pdf ( 14 pages )(595893 bytes )

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Paul Jaboulet Aine,

Opposer

v

S.P. Grossnickle, LLC,

Applicant.

Opposition No. 91197078

#### OPPOSER'S REPLY BRIEF

ABELMAN FRAYNE & SCHWAB 666 Third Avenue New York, New York 10017 212-949-9022

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Opposer, Paul Jaboulet Aine, (hereinafter "Opposer" or "Jaboulet") files this reply brief In support of its position that registration of Applicant's mark 45 for wine will result in confusion with its prior registered and incontestable trademark PARALLELE 45 for wine.

# I. The Marks Are Confusingly Similar As They Appear in the Application and Registration

Applicant asserts in its brief that Applicant's and Opposer's marks are not confusingly similar. In support of its position, Applicant cites a 9th Circuit infringement case (Abercrombie & Fitch C. v. Moose Creek, Inc., 486 F.3d 629, 636 (9th Cir. 2007)) to assert that the marks should be considered in the context of the wine bottles on which they are placed. Applicant's Brief p. 14. However, this case concerns an opposition before the Trademark Trial and Appeal Board, where the issue of likelihood of confusion is determined between the Opposer's mark as registered and the Applicant's mark as applied for: "[i]n determining likelihood of confusion in an opposition, it is the mark as shown in the application, and as used on the goods described in the application which must be considered, not the mark as actually used by applicant." McCarthy's on Trademarks, § 20.15; see also Interstate Brands Corp. v. McKee Foods Corp., 53 U.S.P.Q.2d 1910, 1913 (T.T.A.B. 2000) ("it is well established that in [an opposition], the questions of likelihood of confusion must be determined on the basis of an analysis of the mark as applied to the goods and/or services recited in applicant's application vis-à-vis the goods and/or services recited in an Opposer's registration, rather than what the evidence shows . . . ). Applying the case law to the marks at issue, the salient fact is Applicant's mark as filed consists of the element 45, which is identical to the dominant source-identifying element in Opposer's registered PARALLELE 45 mark.<sup>1</sup>

Applicant appears to concede that its mark is similar to Opposer's, writing in its response that "there are many instances in which similar marks have been held not to be confusingly similar despite the fact that the marks themselves were quite similar." Applicant's Response, p. 19. Applicant then goes on to cite a host of fact-specific cases for goods vastly different from those at issue here. The decision in *American "76" Company v. The National Brewing Co.*, 158 U.S.P.Q. 417, 420 (T.T.A.B. 1968) is more apposite to the facts here. In that case, the opposer owned the trademark 76 for soft drinks. The applicant sought to register FRENCH 76 for malt liquor. The Board sustained the opposition, stating:

"in our opinion the addition of the geographical term 'FRENCH' to the numeral '76' is insufficient to distinguish applicant's mark 'FRENCH 76' from '76', per se, and to avoid confusion in trade. It is not unreasonable to assume that purchasers familiar with opposer's '76' soft drink are likely, upon encountering a malt liquor under the mark 'FRENCH 76' in the same dispensing outlets to mistakenly assume that these different beverages originate with or are in some way associated with the same . . . producer, all to Opposer's detriment and damage." American "76" Company, 158 U.S.P.Q. at 420.

This analysis applies seamlessly to the marks involved in this opposition. It is reasonable to assume that purchasers familiar with Opposer's PARALLELE 45 wine are likely, upon encountering the Applicant's 45 wine (the *exact same product*), to mistakenly assume the two are associated in some way, to the detriment of Opposer's exclusive rights.

In an effort to distinguish the marks, Applicant has included photographs of the parties' respective wine bottles bearing their marks. These images are irrelevant to the likelihood of confusion analysis because, as stated above, in an opposition proceeding the marks must be compared as they appear in the application and registration. Nevertheless, Opposer submits that the images underscore the fact that the 45 element figures most prominently in both marks, as well as in the entire packaging of the parties' respective goods, thus increasing the likelihood of consumer confusion.

### II. Geographic Limitations Are Not to Be Considered, Since Neither the Registration nor the Application are Geographically Limited

Applicant argues that because its goods are sold primarily from a single geographic location (its tasting room located in Michigan) and through distributors in Michigan and Indiana, the likelihood of confusion with Opposer's mark is somehow diminished. However Opposer's wine is sold throughout the United States, including in particular Michigan and Indiana. But, more significantly, Applicant's analysis turns the law on its head.

Opposer is the owner of a territorially unrestricted, incontestable, federal registration, and therefore where Applicant sells is irrelevant. Opposer's exclusive rights to its mark extend throughout the United States. *See McCarthys on Trademarks*, §20:15 (2012). It is thus improper to limit consideration of likelihood of confusion to any given territory or territories. *Id.* 

Likewise, Applicant seeks a geographically unrestricted registration. If registration were granted Applicant's rights would extend throughout the United States, not just the northern peninsula of Michigan. Thus the geographic location of any subset of Opposer's and Applicant's individual customers is irrelevant. *See Giant Good, Inc. v. Nation's Food Service, Inc.*, 710 F.2d 1565, 1568-1569 (T.T.A.B. 1983). Opposer's registration and Applicant's application make no geographic restrictions, therefore such considerations have no bearing on the opposition.

#### III. Because Neither the Registration Nor the Application Restrict Trade Channels Explicitly, Both Marks are Presumed to Be Used in All Normal Trade Channels

Applicant is seeking to register 45 for wine. There are no limitations as to its trade channels.

It is well settled that where there are no explicit restrictions as to trade channels and classes of consumers in a trademark application or registration, the goods are presumed to move in all normal trade channels and to be sold to all normal classes of purchasers. See Canadian

Imperial Bank v. Wells Fargo Bank, 811 F.2d 1490, 1 U.S.P.Q.2d 1813, 1815 (Fed. Cir. 1987); In re Elbaum, 211 U.S.P.Q. 639, 640 (T.T.A.B. 1981). Consequently, the fact that Applicant primarily sells 45 brand wine through its Michigan tasting room with some wine sold through distributors in Michigan and Indiana, is irrelevant. Since the goods of the parties are identified in the Registration and the Application, respectively, with no limitation on how they are to be sold, the channels of trade for each should be deemed to be similar or identical. See, e.g., Schieffelin & Co. v. Molson Companies, Ltd., 9 U.S.P.Q.2d 2069, 2073 (T.T.A.B. 1989)(Discussing the traditional view that, in the absence of limitations on channels of trade in the goods and services identifications, all normal channels of trade are to be presumed); see, also, In re Melville Corp., 18 U.S.P.Q.2d 1387, 1388 (T.T.A.B. 1991); CBS v. Morrow, 218 U.S.P.Q. 198, 199 (Fed. Cir. 1983)(stating it is proper to construe an Applicant's description of goods in the manner most favorable to Opposer (internal citations omitted)); In re Kanematsu-Gosho (U.S.A.) Inc., 196 U.S.P.Q. 849 (T.T.A.B. 1977) (unless restricted in the application, an applicant's goods are presumed to move through all channels of distribution)

Applicant's attempt to overcome a finding of confusion based on the argument that its trade channels are limited is irrelevant and insufficient. Applicant's wine is presumed to travel in all reasonable channels of trade to all reasonable class of consumers.

# IV. The Joint Venture Evidence Weighs in Opposer's Favor and Demonstrates that Some U.S. Wine Producers Incorporate All or Part of a Foreign Manufacturers Mark to Indicate Partnership

In support of its position that the parties' respective marks are likely to be confused, Opposer submitted evidence of wine producers in France who have entered into joint ventures with U.S. wine producers. This evidence demonstrates that within the wine industry domestic

and foreign wine producers have worked together to produce wine from a single source under a common mark.

Furthermore, the publicity of such joint ventures serves to demonstrate that the reasonable consumer may be aware of the existence of such partnerships within the wine industry. In this context, it is not unlikely that the reasonable purchaser of wine might assume a connection between 45 wine, and PARALLELE 45 wine.

Applicant does not dispute the fact of such joint ventures. Rather it points to details why it believes consumers will not assume a connection between Applicant's and Opposer's wines. But Applicant's fact-specific speculation about why consumers *might* not assume a connection does not show that a connection would not be mistakenly assumed. In admitting the existence of wine-producing joint ventures, but denying the applicability to Applicant's and Opposer's marks, Applicant misses the point. Applicant's conjecture about what consumers might believe is just that, mere conjecture. Opposer's point, as supported by the evidence, establishes that joint ventures between foreign and domestic wine makers under a common mark exist. And this point only serves to enhance the probability of confusion, mistake or deception between the parties' marks.

Turning to the specifics of Opposer's evidence, Applicant makes the blanket statement that the joint ventures referenced in the evidence (Domaine Carnernos, Domaine Chandon and Opus One) "make clear the foreign entity which is involved with the production of the wine". Opposer's Response, p. 15 and Exhibit 1 attached to Applicant's brief.

But the Domaine Chandon and Domaine Carnernos web pages Applicant submits as evidence for this proposition show wine bottles that include part or all of a foreign wine maker's trademark, just as Applicant's mark does with Opposer's mark. They thus highlight the fact that

an American wine producer's use of all or part of foreign producer's mark may reasonably be understood by consumers to indicate partnership or sponsorship.

In the case of Domaine Chandon, the mark on the bottle is CHANDON, a salient element of the French partner's MOET & CHANDON mark. And with regard to Domaine Carnernos, the mark TAITTINGER, the very same mark used by the French champagne maker, figures prominently on the product in the mark DOMAIN CARNERNOS BY TAITTINGER. This evidence serves only to support Opposer's argument that when used on wine bottles, Applicant's mark, which reproduces a salient element of Opposer's mark, may confuse consumers into believing there is a connection to Opposer, just as the foreign wine makers' marks or partial marks used on the American CHANDON and DOMAINE CARNERNOS BY TAITTINGER wine are used to indicate a partnership with the foreign producer whose mark is referenced. In this market context, consumers are likely to logically assume that Applicant's mark, reproducing the dominant element of Opposer's, indicates partnership or sponsorship with Opposer, just as DOMAIN CHANDON and DOMAINE CARNERNOS BY TAITTINGER do.

#### V. The Existence of Third-Party Marks Have Not Diminished Opposer's Rights

Applicant attempts to argue that Opposer's mark is entitled to only a narrow ambit of protection because of co-existing third-party marks which include the 45 element. Applicant's Response, p. 19. Opposer addressed this issue in Section V.A.5. of its brief, noting that of the twelve (12) third party marks cited by Applicant, a mere four were intended for use on wine.



These marks include

, 45 MAGIC, BLOCK NO. 45, and

(identified as WESTBAY EASTBAY 45N). Each of these marks contains one or more entirely distinctive elements in addition to the 45 component, thereby further distinguishing them from Opposer's PARALLELE 45. Applicant's mark, on the other hand, consists solely of the 45 element and has no additional elements to distinguish it from Opposer's mark.

Given the overall differences in the commercial impressions evoked by the four marks cited by Applicant that actually pertain to wine, Applicant's statement that Opposer has "slumbered for over 40 years while multiple winemakers have been using '45' on their brands" is a patent misstatement of fact. Opposer has taken action with regard to Applicant's mark because the trademark 45 is confusingly similar to PARALLELE 45 in sound, meaning and appearance and its registration will likely lead to purchaser confusion in contravention of Section 2(d) of the Trademark Act.

#### VI. Opposer's Fame Weighs in its Favor

Applicant seeks to establish that Opposer's mark is not famous and states that the factor of fame should weigh in Applicant's favor. But Applicant's reasoning is far from supporting either contention.

Opposer has used its mark in commerce for over 45 years. In the course of this almost half-century of use, the PARALLELE 45 wine has appeared in retail stores throughout the 50 states, has been consistently sold to the wine drinking public in the U.S., and has garnered national acclaim for its quality.

Applicant argues that Opposer's reknown falls short of the fame demonstrated in *Palm Bay Imports, Inc. v. Veuve Cliquot Ponsardin Maison Fondee en 1772*, 396 F.3d 1369, (Fed. Cir. 2005). But the fame established in *Palm Bay Imports* is not a general standard by which fame in other cases, under other facts, should be evaluated. The facts relating to fame in *Palm Bay Imports* are thus irrelevant.

Rather, Opposer's continuous use of the trademark PARALLELE 45 for almost half a century, the level and breadth of its sales throughout the entire United States, as well as its documented acclaim in the leading industry publications *Wine Spectator* and *Wine & Spirit* sufficiently establish the fame of Opposer's mark.

Applicant admits in its response to being a "relatively new" "small player" in the wine industry. Applicant's Response, p. 17. Applicant alleges that Opposer is also a "small-time player". Regardless, it cannot be disputed that Applicant is without the decades of continuous use in the marketplace and apparently without the national media recognition that Opposer has achieved. Under these circumstances, Opposer's established fame does exist and undoubtedly weighs in Opposer's favor in a likelihood of confusion analysis.

### VII. Opposer Need Not Show Actual Confusion to Establish Likelihood of Confusion

Opposer notes that it is not required to show actual confusion between the parties' respective marks to prevail in this opposition. Only the likelihood of confusion must be demonstrated. *See Plus Products v. Physicians Formula Cosmetics, Inc.*, 198 U.S.P.Q. 111, 114 (T.T.A.B. 1978). Given that the marks share the distinctive source-identifying element 45 and are used on identical goods, which are presumed to travel in all reasonable trade channels throughout the United States, without geographic limitation, a likelihood of confusion between the marks has been established.

For the reasons set forth above and in Opposer's initial brief, Opposer respectfully requests that the opposition be sustained and the Application denied.

Dated: April 26, 2012 New York, New York

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Respectfully submitted, ABELMAN FRAYNE & SCHWAB

Juli#B: Seyler

666 Third Avenue New York, New York 10017-5621 Tel. No. 212-949-9022 Fax No. 212-949-9190

#### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing NOTICE OF OPPOSITION was served by first class mail, postage prepaid this 26<sup>th</sup> day of April, 2012 upon the following:

Steven Smilay, Esq. BOTKIN & HALL, LLP 105 E. Jefferson Blvd, Ste. 400 South Bend, Indiana 46601-1913

AIMEE M. ALLEN